

JOE WARDY
MAYOR



CITY COUNCIL

SUSAN AUSTIN
DISTRICT NO. 1

ROBERT A. CUSHING, JR.
DISTRICT NO. 2

JOSE ALEXANDRO LOZANO
DISTRICT NO. 3

JOHN F. COOK
DISTRICT NO. 4

DANIEL S. POWER
DISTRICT NO. 5

PAUL J. ESCOBAR
DISTRICT NO. 6

VIVIAN ROJAS
DISTRICT NO. 7

ANTHONY W. COBOS
DISTRICT NO. 8

SPECIAL CITY COUNCIL MEETING COUNCIL CHAMBERS JULY 9, 2004 10:30 A.M.

The City Council met at the above place and date at approximately 10:36 a.m. Mayor Joe Wardy present and presiding and the following Council Members answered roll call: Robert A. Cushing, Jr., John F. Cook, Daniel S. Power, and Vivian Rojas. Absent: Susan Austin and Anthony Cobos. Late arrival: Paul J. Escobar 10:45 a.m. and Jose Alexandro Lozano at 10:46 a.m.

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AGENDA

1. Discussion and action on the adoption of strategic and funding priorities for the Community Development Block Grant (CDBG) Social Service Collaboratives for the 31st CD Program year (2005-2006).

Ms. Nathalie Prise, Interim Community and Human Development Director, introduced the agenda item and referred to Proposed priorities for CDBG Social Service Allocations FY 2004-2005 prepared by the Mayor's Office (on file in City Clerk's Office). Ms. Prise explained that members of the five Collaboratives: Children and Youth, Economic Opportunity, Health, Seniors/Disabled, and Homeless, were present to address the Council on the proposed priorities.

Representative Cook questioned how many homeless people had been consulted in the reduction of funding for the Homeless Collaborative. He stated the reduction is not in line with Council's previous resolution for the 10-year strategic plan for services for the homeless.

Mayor Joe Wardy explained that a reduction in HUD funding that the City is not abandoning the homeless programs; that this is a good exercise today in setting the priorities for the CDBG funding.

Representative Cook read from the CDBG Social Services Proposed Priorities. He used as a parallel analogy the raising of his five children and the different needs each child had, some children needing more support than others. He said equal funding does not address unequal needs. He stated he would like to scratch the line beginning, "equal funding will be allocated to each collaborative...."

Representative Rojas expressed her concerns about the reduction in funding for the homeless and her resolve to tackle that problem in the community. She spoke of the 10-year strategic plan to reduce homelessness that the City submitted to HUD.

Mayor Wardy restated that the reality is that the allocation the City receives from HUD will continue to decrease, forcing changes in the funding the City can provide.

Representative Cushing commented that he sees the proposed prioritization plan as a good one; that the best way to prevent someone from being homeless is to give them a job; that if we address more money to economic incentives it could benefit the homeless by providing economic opportunities.

Representative Cook stated that many of the organizations that serve the homeless do provide employment services to the homeless. He cited the Opportunity Center. He explained the agencies' current funding structures do not suit the services they have to provide. The demand exceeds their ability to supply services. He said people should not be told to go find a cardboard box to live in until they can find a job.

Representative Rojas questioned **Ms. Prise** about what Federal grants the City funnels to the homeless agencies and about the grant matches required from the City to secure those federal grants. **Representative Power** asked follow up questions.

Representative Power expressed his concern that we may be taking a step backward if the prioritizations are not implemented. He mentioned an analysis by HUD about the City's funding. He stated his belief that the prioritizations would encourage new initiatives and new ideas that were not previously considered. He echoed Representative Cushing's statement that the best way to help the homeless is through economic opportunity.

Ms. Debbie Hamlyn, Deputy CAO for Quality of Life Services, stated that HUD has validated the collaborative process, recognizing it as a valid one. She said that the Blue Ribbon Committee recommended that these priorities and the highlighting of economic opportunity. She clarified that HUD has previously praised the City's allocation of funding.

Representative Cook asked Ms. Hamlyn if a needs' assessment has been conducted. She stated no.

Mayor Wardy commented on his visit with HUD in Washington with the Secretary of Housing and Urban Development, who explained that innovative strategies have to be explored by cities to compensate for reduced federal funding.

Representative Cook cautioned the Council not to rush through this process without first conducting a community needs' assessment.

Mayor Wardy explained again that the funding structure from HUD is changing and that change has prompted the prioritization process presented today.

Ms. Hamlyn commented on the timeliness of action required due to the coming fiscal year and the planning process required of the agencies regarding the allocations. She asked Council not to put this off for a year.

Representatives Cushing and Power stated they believe that although change can be disruptive, the reduced funding available requires the establishment of priorities and the equalization of funding.

Representative Power commented that proactive measures and innovative ideas must be taken to received future funding from HUD.

Mr. Jaime Barceleau, El Paso Rehabilitation Center, explained that diminished funding through grants, corporate gifts, United Way and private donations is a fact of life for non-profit organizations. He cautioned Council about taking from one agency to give to another, likening it to taking it from Peter to pay Paul. He urged Council to study the impact of what they are proposing to do before they do it. He stated that equalized funding appears to him to be a knee jerk reaction to a complex problem. He asked Council to make the cuts mindful and purposeful ones.

Ms. Florence Fowler, Blue Ribbon Chair of Children and Youth Services, commented on her belief in the process, on the meetings she has conducted and the input she has solicited. She stated she wanted to speak from a consensus perspective. She explained that additional equal funding is what concerns the agencies. She expressed her concern about the impact of equal funding if it means everyone will receive 20% funding. She explained there has not been time for the Chairs or the Collaboratives to review this. She quantified the loss of funding contemplated for each Collaborative under this proposal. She stated that the people affected by the cuts are not likely to be beneficiaries of funding shifted to economic priorities. She said the new Economic Collaborative is too new to the process to possess the necessary understanding of CDBG programming. She asked Council to postpone implementation of new funding priorities for one budget cycle to allow more time for the Collaboratives to analyze the impact on the people served. She echoed the need for a needs' assessment conducted by community development or non-profit Collaboratives. She encouraged incentives for non-profit groups who demonstrate an integrated approach to funding and services. She stressed that their services the four Collaboratives, Health, Children/Youth, Seniors/Disabled and Homeless, provide are the underpinnings of economic development.

Representative Rojas questioned **Ms. Fowler** about the Economic Opportunity Collaborative's granting of funding to applicants. **Representative Rojas** questioned **Ms. Hamlyn** on what agencies were funded from that particular collaborative. **Ms. Prise** replied that seven applied, six were funded. **Ms. Hamlyn** provided the names of the agencies funded and the total dollar amount funded.

Ms. Ann Kogle, Chair of the Economic Opportunity Collaborative, commented on the passion and commitment evidenced in the room today. She elaborated on her Collaborative's desire to allocate their funding well. She expressed her understanding of the needs of the other Collaboratives and her willingness to work with applicants. She commented on the short time she has had to review the priorities, given to her on Wednesday evening of this week.

Mr. Bill Schlesinger, Vice Chair of the Economic Opportunity Collaborative, commented on jobs and small business development as key to economic opportunities and asked the **Mayor** to include the words. "small business development" in the prioritization. **Representative Cook** asked to include, "micro-enterprise and small business." **Mr. Schlesinger** explained that their Collaborative funded agencies that know how to deal with their needy clients on various levels. He urged Council to employ subtlety in dealing with the funding priorities.

Mr. John Romero, Chair of the Health Collaborative, stressed that the leverage of funding is critical in securing state, federal and foundation funding, so a cut here limits their ability to secure funding from other sources; he explained that all of the Collaboratives exist to make underserved populations able to participate economically in our community. These support services must be preserved and recognized. He praised the good work the City is doing with CDBG dollars and told Council not to be ashamed of what had been accomplished through the existing funding structure.

Ms. Rosemary Neill, Vice Chair of the Seniors and Disabled Collaborative, praised the work of **Ms. Florence Fowler** who also participates in their Collaborative. She explained that the pleasure her Collaborative may feel for additional funding they may receive under the equalization of funding would be tempered by the negative impact on the other Collaboratives who would lose funding. She explained that "ramping down" in funding has consequences, some unintended, and how those intended and unintended consequences concern her Collaborative. She stated that they realize a ramping down in funding translates into people who will not be served. She urged Council to reconsider the equalization of funding to give everyone time to analyze the needs, the impact and both the intended and unintended consequences of that action.

Representative Power asked **Ms. Neill** where the bulk of their Collaborative's funding is to be allocated. She answered it is to the County for the senior's nutrition program. He asked further about funding for disabled programs and **Ms. Neill** cited those programs.

Mayor Wardy asked **Ms. Neill** how they intend to make up for the cut in funding proposed by the County for the senior nutrition program. She explained that some administrative staff positions will be cut, shifting in funding will be made to the Area Agency on Aging for the funding of some staff positions, and they will utilize the use of a waiting list for clients who cannot be served (currently at 100 names). She stated these were difficult decisions for everyone involved, including her agency and the County of El Paso.

Representative Rojas asked **Ms. Neill** about any Parks Department programs funded through CDBG. **Ms. Neill** explained the Parks Department's focus is on people with disabilities rather than the aging population.

Representative Cushing asked **Ms. Neill** how long the Collaborative Chairs may need to analyze these priorities and equalization of funding. **Ms. Neill** answered one year.

Ms. Stephanie Dodson, Chair of the Homeless Collaborative, thanked **Representative Cook** for his concerns for their agencies/collaboratives; she also commented on the short time she has had to study the document regarding the priorities. She stated that large numbers of dollars available in this community, \$45 to 50 million, currently is available for job training and economic development as opposed to the \$157,000 that is being cut from other collaboratives to fund the Economic Opportunity Collaborative. She brought up to Council other recommendations from the Blue Ribbon Committee and asked Council to consider those recommendations as well, such as the issuance of a bond issue. She explained that the children at the Crisis Center are unable to get a job since they are children; people with serious substance abuse issues also cannot get a job. She quoted Eleanor Roosevelt: "The care we provide to our most vulnerable citizens is a measure of a just society."

Mr. Gilbert Miranda, YWCA, explained to Council the importance of the programs provided by his collaborative, the Children and Youth, and stressed that their agencies are willing to work together to accomplish common goals and objectives.

Mr. Charles Roark, Hospice, commented on his understanding of what HUD wants: a strategic planning, prioritization process in the community for the allocation of CDBG funding. He stated that by supporting the other organizations you are, in fact, creating a base for economic development, a safety net of services that is fundamental to economic success in our community. He asked that Council follow the recommendation by the Blue Ribbon committee to strengthen that social service underpinning. He urged Council to direct CDBG staff and the Collaboratives to develop a strategic planning process and needs assessment with public hearings to determine what the community believes is really important. He praised Council for the establishment of the Blue Ribbon Panel and asked Council to come back before the next funding cycle to adopt recommendations, after the needs assessment is conducted.

Mayor Wardy commented on the phrases economic development and economic sustainability.

Mr. Roark asked the **Mayor** to provide an explanation to the public of what they are trying to do with economic development and what the goals are.

Mr. Carlos Marentes, Sin Fronteras, member of Homeless Collaborative. He asked Council to take into consideration lack of other sources to cover social service needs; his willingness to work with the City to address the dwindling resources in creative ways.

Ms. Guadalupe Daly, Salvation Army, spoke for those who were not included in the Blue Ribbon Committee, the homeless families served by the Salvation Army. She explained the efforts made by her agency in helping families become productive citizens who can stand on their own and stated that other agencies would suffer, as well, food and shelter, she stated, are necessary for someone to find a job; self-esteem is required; a feeling of safety is required. She asked Council to conduct a needs assessment first.

Mr. Larry Johnson, Rescue Mission, spoke of the shock it is to him to be here. He asked Council to give them the supplies and resources they need to do their job for the homeless.

Ms. Katherine Norvell, YWCA Transitional Living Center, explained that economic opportunity is important but it can take place without the other support services people require to be employed or to go to school. She urged Council to delay this a year to allow the agencies and Collaboratives to find ways to shift funding and to conduct a needs assessment.

Representative Rojas asked **Ms. Norvell** to elaborate on the Emergency Shelter Grant and what has to be spent on for relocation of housing or to prevent eviction. **Representative Cook** also commented.

Representative Power stated that prioritization would allow the Council and the community to look at social problems and programs in a different way than has been done. He stated he sees this process as a real opportunity to become more efficient and to eliminate redundancies and duplications in programming and services. Reduced funding requires this analysis and the establishment of particular outcomes agencies are expected to achieve.

Ms. Gloria Terry, Center Against Family Violence, pointed out to Council programs her agency conducts to encourage their clients to become employed and educated. She stated that her previous position in the Chamber of Commerce makes her a proponent of economic opportunities. She asked Council to give them more time to analyze these priorities and reallocation of funding, to conduct this in a less abrupt manner, perhaps employing stages to allow the agencies to plan. She also commented on the short time she has had to study the document.

Ms. Sofia Moreno, Project Bravo, asked Council to consider the impact on the people served by the agencies. She echoed **Ms. Terry's** request to implement this change in stages rather than all at once so as to allow the agencies to prepare for funding changes.

Mayor Wardy thanked the audience for their participation. He urged the audience to look for alternative funding in this reality of reduced State and federal funding.

Representative Rojas expressed her concerns about the use of CDBG funds by the Parks department competing against non-profit agencies in the community. She stated her preference to incorporate that funding in the Parks Department budget instead of taking it from CDBG money. **Mayor Wardy** explained that could be considered by Council in next week's budget hearing process.

Representative Power expressed his opposition to striking the equal funding sentence from the priorities.

Representative Cook proposed three amendments:

1. Removal of the equal funding sentence from the last line of the paragraph entitled Overall.
Motion made by Representative Cook, seconded by Representative Rojas.

AYES: Representatives Cook and Rojas

NAYS: Representatives Cushing, Lozano, Power and Escobar
Motion failed.

2. To add a bullet under the Economic Opportunities paragraph that adds the words, "micro-enterprise and small business".

Motion made by Representative Cook, seconded by Representative Cushing

AYES: Representatives Cook and Rojas

NAYS: Representatives Cushing, Lozano, Power and Escobar
Motion failed.

3. To add under the last Therefore clause, " and direct CDBG staff to conduct a community based needs assessment."

Motion made by Representative Cook. No second was received.

Representative Cook left the meeting at 12:20.

Motion made by Representative Cushing, seconded by Representative Lozano and carried to approve the proposed priorities for CDBG Social Service Allocations as presented by the Mayor's Office.

AYES: Representatives Cushing, Lozano, Power, and Escobar

NAYS: Representative Rojas
Motion passed.

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Motion to adjourn made by Representative Lozano, seconded by Representative Power passed unanimously to adjourn the Special City Council Meeting at 12:22 p.m.
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APPROVED AS TO CONTENT:



Richarda Duffy Momsen, City Clerk